

PREFERENCING ON SECURITIES
EXCHANGES

HON. SUE W. KELLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1996

Mrs. KELLY. Mr. Speaker, on May 9, 1996, 18 of my colleagues and I sent a letter to the SEC regarding that agency's recent approval of preferencing on the Cincinnati Stock Exchange or CSE. In the letter, we expressed concern that the SEC had acted precipitously to permit this questionable practice on a securities exchange without an adequate empirical or legal basis.

Preferencing enables a broker-dealer to take the other side of its own customer orders, to the exclusion of other competing market interest. In practice, CSE operates as a pure dealer market, depriving customers of the opportunity for their orders to be executed against each other. The ability of customer to meet customer is one of the hallmarks of the agency auction system, and frequently results in improved prices. In spite of the central place that customer order interaction plays on a true exchange, the SEC's order approving preferencing on the CSE leaves unanswered many questions about the practice's effect on customers. For example, the order does not examine whether customers whose orders are preference on the CSE are receiving the best prices for their transactions. Given the excellent job that the SEC has done over the years in safeguarding customers and pressing for fair treatment of customer orders, it is indeed surprising that the order approving the CSE preferencing program does not address so basic an issue.

Mr. Speaker, today we take up H.R. 3005, the Securities Amendments of 1996. This legislation does not address the issue of preferencing but I understand that similar legislation in the other body may contain a provision directing the SEC to undertake a detailed study of preferencing on exchange markets. I believe that such a study could be most helpful in addressing, among other issues, the quality of customer executions on the CSE. I urge support for such a study in conference. If the study identifies no tangible benefits to investors and the capital formation from preferencing on exchanges, I would support action to ban this practice.

SILVIO O. CONTE NATIONAL FISH
AND WILDLIFE REFUGE EMI-
NENT DOMAIN PREVENTION ACT

SPEECH OF

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 11, 1996

Mr. FAWELL. Mr. Speaker, I rise in opposition to H.R. 2909, the Silvio O. Conte National Fish and Wildlife Refuge Eminent Domain Prevention Act. This bill seeks to amend the Silvio O. Conte National Fish and Wildlife Refuge Act to require that the Fish and Wildlife Service may only acquire lands for the refuge through donations, exchanges, or otherwise through the consent of the landowner.

As a former practicing attorney involved in eminent domain cases, I have concerns about

the precedent set by this legislation. The Fish and Wildlife Service, like any other agency, has the power of eminent domain. This power, derived from the fifth amendment, assures citizens that their land will not be taken for public use, without just compensation. Current Fish and Wildlife Service policy directs such acquisitions only from willing sellers. In the last 10 years, less than 2 percent of the Service's acquisitions nationwide were acquired through the use of eminent domain. The Fish and Wildlife Service is not abusing the power of eminent domain. I see no reason why Congress should take away the legitimate power of the Fish and Wildlife Service to act in the public interest.

Mr. Speaker, I am opposed to this bill. I strongly support the establishment of the Silvio Conte National Fish and Wildlife Refuge, and the enactment of cooperative efforts to preserve the Connecticut River watershed. However, I urge Members to reject this measure which ties the hands of the Government to act in the public interest.

TRIBUTE TO JOSÉ RAMON
QUINÓNEZ

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1996

Mr. SERRANO. Mr. Speaker, I rise to pay tribute to Mr. José Ramon Quiñonez, who was honored on Saturday by the members of the Holy Family Parish Council for his outstanding service to be community as the chairman of the board, at the Church of the Holy Family, in my South Bronx congressional district.

Ray Quiñonez, as he prefers to be called, was born in Puerto Rico and raised in South Bronx. He completed studies in metallurgy at the U.S. Marine Corps Institute of Technology, in Washington, DC and at Del Mar Technical College, in Oceanside, CA. Later on, he started working for Seandel Studios, Inc., in New York City.

Mr. Quiñonez served the country in the Third Marine Division in Vietnam. After his return from Vietnam, he married his wife, Edmee, with whom he has three children.

Ray Quiñonez has dedicated his life to helping our youngsters develop their full potential as community leaders of tomorrow. His service includes volunteer work at the Castle Hill Little League, where he was the field cleaner, coach, manager, treasurer, and vice president. He also served as a member of the league's board of directors, as well as moderator of the Holy Family Youth Leadership Group. Through the youth group, he inspired high school students from parochial and public schools to develop a sense of leadership and to strive for excellence.

Other community service includes his work as chairman of the Center for Catholic Lay Leadership Formation and as a member of the Community Planning Board 9.

Mr. Speaker, I ask my colleagues to join me in recognizing Mr. José Ramon (Ray) Quiñonez for his outstanding commitment to the service of our youngsters, the Church the Holy Family, and our South Bronx community.

THE IMPORTANCE OF CITRUS
TRISTEZA VIRUS RESEARCH TO
THE FLORIDA CITRUS COMMU-
NITY

HON. CHARLES T. CANADY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1996

Mr. CANADY of Florida. Mr. Speaker, citrus is a major food crop in terms of nutrition, generation of income, foreign exchange, and employment in the United States.

There are approximately 1.2 million acres of citrus in the United States, and the annual retail value is over \$17 billion. The citrus industry in the United States exceeds \$19 billion in gross revenue.

Florida has 850,000 acres in citrus groves, 70,000 people employed in the citrus industry and 74,000 people employed indirectly, which means on-tree revenues of \$9 billion to Florida.

Citrus is the No. 1 fresh produce commodity grown in California and Florida and there is substantial acreage in Arizona, Louisiana and Texas. Hawaii and Puerto Rico are also increasing their citrus industry to reduce their dependence on imports.

The American citrus industry produces table quality navel and Valencia oranges, and my home State of Florida, grows oranges for fresh juice and juice concentrate. Florida is also one of the world leaders in export quality oranges, lemons and grapefruit.

Unfortunately, this vital industry is being threatened by the brown citrus aphid, which is the most efficient transmitter of the citrus tristeza virus. This virus threatens the entire U.S. crop.

Arizona, California, Florida, Louisiana, and Texas have formed a research council to study the eradication of the brown citrus aphid and the citrus tristeza virus. This research is supported by the industry, the U.S. Department of Agriculture, and the land grant colleges.

The farm bill, which the Congress passed earlier this year also, recognized the importance of eradicating this disease before it takes over and destroys the American citrus crop. The legislation authorized \$3 million to be spent on Citrus Tristeza Virus research.

Mr. Speaker it is extremely important for us to supply the 1997 funding needed to carry out this research and keep out citrus industry healthy in Florida and elsewhere in the United States.

TURKISH GOVERNMENT REPRESENTATION:
TAKING LESSONS FROM
BEIJING

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1996

Mr. SMITH of New Jersey. Mr. Speaker, the United Nations Habitat II conference on sustainable urban development has concluded in Istanbul, Turkey. While most observers will point to the conference's focus on the pressing challenges of urbanization, the repression employed by the host Government of Turkey in response to criticism of its human rights